

1. GOOD MORNING. .
2. ON BEHALF OF MAYOR BLOOMBERG, WELCOME TO NEW YORK CITY.
3. AS THE CITY RECOVERS FROM THE HORRENDOUS ATTACK OF SEPTEMBER 11TH, IT IS GOOD TO SEE THE REPRESENTATIVES OF SO MANY COUNTRIES CONVENING IN NEW YORK TO EXAMINE THE IMPORTANT ISSUE OF TOBACCO SMUGGLING.
4. I COMMEND YOU FOR PARTICIPATING IN THIS PARTICULAR CONFERENCE.
5. *BRAD BUCKLES* AND THE BUREAU OF ALCOHOL, TOBACCO & FIREARMS *+ DIRECTOR* FOR HOSTING IT.
6. THE NEW YORK CITY POLICE DEPARTMENT WORKS CLOSELY WITH ATF IN GETTING GUNS OFF THE STREETS OF NEW YORK CITY.
7. AND, NOW, MORE RECENTLY, WE ARE PARTNERS IN A NEW INTENSIFIED EFFORT TO ATTACK THE PROBLEM OF CIGARETTE SMUGGLING.
8. WE ARE ALL FAMILIAR WITH THE THREATS THAT TOBACCO PRODUCTS POSE TO HUMAN HEALTH.
9. ESPECIALLY FOR THE YOUNG,

10. WITH THE POTENTIAL FOR YOUNGSTERS TO BECOME ADDICTED TO CIGARETTE SMOKING EARLY IN LIFE.
11. NEVERTHELESS, TOBACCO REMAINS A LEGAL PRODUCT.
12. AND AS LONG AS THAT IS THE CASE, LAW ENFORCEMENT WILL BE PRINCIPALLY CONCERNED WITH ADDRESSING ISSUES THAT CONTROL THE SALE AND DISTRIBUTION OF CIGARETTES.
13. IN THIS COUNTRY AND OTHERS, THAT MEANS ENFORCING PROHIBITION AGAINST THE SALE OF CIGARETTES AND OTHER TOBACCO PRODUCTS TO MINORS.
14. IT ALSO MEANS THAT LAW ENFORCEMENT IS RESPONSIBLE FOR MAKING CERTAIN THAT THE TAXES IMPOSED ON TOBACCO ARE COLLECTED,
15. AND THAT MANUFACTURERS, WHOLESALERS AND RETAILERS, AS WELL AS IMPORTERS AND EXPORTERS, FULLY COMPLY WITH THE LAW.
16. HEALTH OFFICIALS IN MANY COUNTRIES ARE, OF COURSE, RESPONSIBLE FOR EDUCATING THE PUBLIC TO THE DANGERS OF TOBACCO USE.
17. THAT IS WHY IT IS SO IMPORTANT THAT REPRESENTATIVES OF THE WORLD HEALTH ORGANIZATION AND OTHER PUBLIC HEALTH OFFICIALS

**ARE PARTICIPATING WITH CUSTOMS, TREASURY AND
OTHER LAW ENFORCEMENT OFFICIALS IN TODAY'S
CONFERENCE.**

- 18. AS FOR TOBACCO MANUFACTURERS, THEIR
COOPERATION IS ALSO IMPORTANT.**
- 19. FOR EXAMPLE, THE NEW YORK STATE DEPARTMENT OF
TAXATION & FINANCE IS WORKING WITH
MANUFACTURERS TO MAKE IT HARDER FOR
COUNTERFEITERS TO PRODUCE BOGUS TAX STAMPS
ON PACKAGES OF CIGARETTES.**
- 20. AS IT IS IN OTHER COUNTRIES, TOBACCO IS HEAVILY
TAXED IN THE UNITED STATES, PARTICULARLY HERE IN
THE NORTHEAST.**
- 21. AFTER A RECENT INCREASE IN THE LOCAL TAX, A
PACKAGE OF 20 CIGARETTES NOW COSTS \$7.00 IN NEW
YORK CITY.**
- 22. IN NORTH CAROLINA, A TOBACCO PRODUCING STATE,
THE SAME PACK OF CIGARETTES COSTS LESS THAN
\$3.00**
- 23. CIGARETTES ARE ALSO SOLD VERY CHEAPLY ON
AMERICAN INDIAN RESERVATIONS,**
- 24. AS A RESULT OF THESE DISCREPANCIES AMONG
JURISDICTIONS, THE SMUGGLING OF CIGARETTES**

**ACROSS STATES LINES WITHIN THE UNITED STATES HAS
ATTRACTED TRADITIONAL ORGANIZED CRIMES GROUPS,**

**25. AND MORE RECENTLY, INDIVIDUALS WITH SUSPECTED
LINKS TO TERRORIST ORGANIZATIONS.**

**26. THERE IS A GREAT DEAL OF MONEY TO BE MADE IN
CIGARETTE SMUGGLING.**

**27. AND CONVERSELY, A GREAT DEAL OF TAX REVENUE TO
BE LOST:**

**28. BILLIONS OF DOLLARS ANNUALLY HERE AND AROUND
THE WORLD.**

**29. WITH THE NATIONS OF THE WORLD SEEKING TO LESSEN
THE IMPORTANCE OF BORDERS, ESPECIALLY IN
RELATIONSHIP WITH TRADE,**

**30. INTERNATIONAL BOUNDARIES DO NOT PROVIDE THE
SAFEGUARDS AGAINST SMUGGLING THAT THEY MAY
HAVE IN THE PAST.**

**31. AND ORGANIZED CRIME IS POISED TO TAKE
ADVANTAGE OF THE EAGERNESS OF NATIONS TO
BREAK DOWN THE BARRIERS THAT SEPARATE US.**

**32. IT IS, THEREFORE, MORE IMPORTANT THAN EVER FOR
LEGITIMATE GOVERNMENTS AROUND THE WORLD TO
COOPERATE IN COUNTER-SMUGGLING PROTOCOLS.**

33. AND THIS CONFERENCE IS AN IMPORTANT STEP IN THAT DIRECTION.
34. REVENUE IS JUST ONE ISSUE.
35. NEW YORK STATE ALONE GENERATES OVER A \$1 BILLION IN CIGARETTE TAXES.
36. THE UNITED STATES GENERATES OVER SIX AND A HALF BILLION DOLLARS A YEAR IN FEDERAL TAXES ON CIGARETTES.
37. AND IT HAS BEEN ESTIMATED THAT CIGARETTE SMUGGLING COSTS CHINA AS MUCH AS \$1.8 BILLION A YEAR IN LOST REVENUES.
38. WHO DIVERTS THESE REVENUES AND WHAT THEY USE THEM FOR IS ANOTHER CONCERN.
39. AS I SAID, IN THE UNITED STATES, TRADITIONAL ORGANIZED CRIME HISTORICALLY CONTROLLED THE BLACK MARKET IN CIGARETTES.
40. BUT THE LOSS OF TAX REVENUES AND ITS DIVERSION FOR CRIMINAL USE, IS JUST ONE OF THE ISSUES.
41. BETTER CONTROL OVER THE MOVEMENT OF CIGARETTES AND OTHER TOBACCO PRODUCTS ALSO GIVE GOVERNMENTS A BETTER CHANCE AT EFFECTIVELY REGULATING THE USE OF TOBACCO IN GENERAL.

42. THEY GO HAND IN HAND,
43. BETTER ENFORCEMENT OVER SMUGGLING ULTIMATELY
LEADS TO BETTER ENFORCEMENT GENERALLY.
44. REGARDLESS OF THE SOURCE OF CIGARETTES, LAW
ENFORCEMENT SHOULD BE CONCERNED ABOUT THE
SALES OF CIGARETTES TO MINORS.
45. AND WHILE THAT MAY NOT BE A CUSTOMS OR
TREASURY ISSUE, IT IS CERTAINLY A HEALTH CONCERN.
46. PROHIBITION AGAINST SALES TO MINORS MAY BE
DIFFICULT TO POLICE.
47. ONE WAY IT IS DONE IN NEW YORK STATE IS TO HAVE
MINORS, WITH THEIR PARENTS' CONSENT, ATTEMPT TO
BUY CIGARETTES FROM RETAILERS, AND THEN IMPOSE
FINES ON THE RETAILERS WHO MAKE NO EFFORT TO
DETERMINE THE AGE OF AN OBVIOUSLY UNDER-AGE
BUYER.
48. ON THE LARGER, WORLDWIDE STAGE, TOBACCO
SMUGGLING SHOULD BE ONE AREA WHERE LAW
ENFORCEMENT AGENCIES AROUND THE WORLD CAN
COOPERATE.
49. THE SHORT-TERM GAINS WILL BE IMMEDIATE.

50. WITH NATIONS STOPPING, OR AT LEAST STEMMING THE DIVERSION OF TAX REVENUES.
51. OUR COOPERATION IN THIS AREA WILL ALSO DEPRIVE ORGANIZED CRIME AND TERRORIST ORGANIZATIONS OF AN ILLICIT SOURCE OF FUNDING.
52. FINALLY, AND MOST IMPORTANTLY, EFFECTIVE REGULATION OVER THE MOVEMENT OF TOBACCO WILL ULTIMATELY LEAD TO BETTER PUBLIC HEALTH.
53. OR AT LEAST GIVE GOVERNMENTS WHO WANT TO MAKE TOBACCO-RELATED HEALTH A PRIORITY, THE OPPORTUNITY TO DO SO IN AN EFFECTIVE WAY.
54. AGAIN, I WISH YOU ALL A VERY ENJOYABLE STAY IN NEW YORK CITY.
55. WE APPRECIATE THE FACT YOU ELECTED TO HAVE YOUR CONFERENCE HERE
56. AND, MORE IMPORTANTLY, I WISH YOU ONLY SUCCESS AT THIS IMPORTANT CONFERENCE.
57. BY BREAKING DOWN BARRIERS AMONG THE WORLD'S HEALTH AND LAW ENFORCEMENT OFFICIALS, WE MIGHT JUST SUCCEED IN ERECTING BARRIERS FOR THE TOBACCO SMUGGLERS WHO HURT US ALL.
58. GOOD LUCK WITH YOUR IMPORTANT WORK.